GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2846
ANSWERED ON:15.03.2016
Increase in the Prices of Essential Drugs
Goud Dr. Boora Narsaiah

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:
(a) whether it is true that the Government has decided to allow pharma companies to increase prices of 509 essential drugs;
(b) if so, the details of each of the drugs whose rate is permitted to be increased when compared to the old price; and
(c) the reasons for giving permission to increase the prices of essential drugs?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI HANSRAJ GANGARAM AHIR)
(a) to (c): Pursuant to the announcement of National Pharmaceutical Pricing Policy, 2012, Government notified Drugs (Prices Control) Order, 2013 (DPCO, 2013) on 15th May, 2013. All the medicines specified in the National List of Essential Medicines 2015 (NLEM) have now been included in the First Schedule of DPCO, 2013. National Pharmaceutical Pricing Authority (NPPA) has fixed the ceiling prices in respect of 530 scheduled medicines.

As per DPCO, 2013, revision in the prices of scheduled formulations is permissible to the extent of change in the Wholesale Price Index (WPI) for the particular year. NPPA has revised the ceiling prices in respect of 530 scheduled drugs after incorporating WPI @ 6.32% for the year 2013 (w.e.f. 01.04.2014) and 3.849% for the year 2014, (w.e.f. 01.04.2015) in compliance with the provisions contained in Paragraph 16 of DPCO, 2013.

NPPA has also notified the revised (reduction in prices) ceiling prices of scheduled formulations for the year 2015 after applying WPI of (Minus) 2.7105%. These prices would be effective from 1st April, 2016.

The details regarding fresh price notifications or revised notifications are available on the official website of NPPA (www.nppaindia.nic.in).

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